1		
2		
3		
4		
5	BEFORE THE WASHINGTON UTILITIES	AND TRANSPORTATION COMMISSION
6	In the Matter of	
7	VERIZON NORTHWEST, INC.,	Docket No. UT-011439
8 9	For Waiver of WAC 480-120-071(2)(a)	REPLY BRIEF OF RCC MINNESOTA, INC.
9 10		
10		
11		JICTION
	INTROD	<u>UCTION</u>
13	RCC Minnesota, Inc. ("RCC") mad	le four main points in its opening brief. No
14	party took issue with any of RCC's points. First, R	CC demonstrated that the Commission's Line
15	Extension Rule ¹ does not apply to wireless carriers,	such as RCC. No party, including Qwest,
16	argued that the Line Extension Rule directly applies	to wireless carriers. Second, RCC showed
17	that it would not be in the public interest to order RO	CC to provide enhanced service to the Timm
18	or Taylor locations. Again, no party briefed in oppo	osition to RCC's argument. ² Third, RCC
19	argued that the Commission lacks jurisdiction to ord	ler RCC to build additional facilities to serve
20	the Timm and Taylor residences. No other party to	this proceeding even addressed to RCC's
21	jurisdictional argument, let alone opposed RCC's po	osition. ³ Finally, RCC argued that its status
22	¹ WAC 480-120-071.	
23	² Indeed, Qwest stated that it had "not recommended	I relief against RCC." Qwest response at 10-11.
24 25	³ Qwest noted that RCC is a "telecommunications of that RCC may be a "telecommunications company" a definitions of RCW 80.04.010 does not mean that the much a commonly Sec. 2 PCW 80.66.010	as well as a "public service company" under the
• •	such a company. See e.g., RCW 80.66.010.	

²⁶

1	as an ETC does not justify ordering it to construct additional facilities to serve the Timm and
2	Taylor residences. Again, no party, including Qwest, argued that ETC status of RCC justified
3	ordering RCC to build facilities. ⁴
4	DISCUSSION
5	Although no party takes issue with any of RCC's principal arguments, Qwest, and
6	Qwest alone, continues to quibble with minor points in RCC's briefing. RCC will address only
7	those points in Qwest's responsive brief that might potentially be considered germane to the
8	Commission's decision regarding RCC.
9	I. <u>A Desire to Conduct Discovery Does Not Justify Joinder as A Party.</u>
10	At the end of the day, it appears that the overriding reason, if not the sole reason,
11	for Qwest seeking to join RCC in this case was for discovery purposes. For instance, Qwest
12	notes:
13 14 15	However it is necessary that RCC be a party to a case which investigates RCC's plans to build facilities pursuant to its ETC obligation which the Commission held in the Fifth Supplemental Order was an issue properly raised in a case which sought a waiver of WAC 48-120-071.
16	Qwest Response Brief at 8. Qwest offers no authority for its proposition that inquiry into the
17	plans of company requires that that company also be joined as a party. The argument presumes
18	that information cannot be obtained in a proceeding from non-parties, which is plainly not true.
19	The Commission has available to it extensive discovery and investigatory powers
20	that are not contingent on a person or company being a party to a proceeding. For example, the
21	Commission has the power to issue subpoenas for the attendance of witnesses and the production
22	of books and papers and documents. RCW 84.04.020. Indeed, under the subpoena power, the
23	party compelled to produce a witness or documents need not even be a public service company.
24	

⁴ As Qwest stated in its responsive brief: "Qwest did not ask either in its motion or in testimony for the Commission to order RCC to build facilities." <u>Id.</u> at 8.

²⁶

1	In addition to its subpoena power, the Commission "shall have the right at any
2	and all times, to inspect the accounts, books, papers, and documents of any public service
3	company" RCW 80.04.070 This provision of the public service laws further provides that
4	the Commission "may examine under oath any officer, agent or employee of such public service
5	company" Id. As Qwest noted, even though the Commission's regulatory authority over
6	wireless carriers is extremely limited under RCW 80.66.010 and federal law, RCC likely falls
7	within the definition of a "telecommunications company" ⁵ and therefore could constitute a
8	"public service company" for purposes of these investigatory provisions. ⁶
9	Qwest's argument that it is essential to join and maintain RCC as a party in this
10	docket to conduct an investigation of RCC's existing services and future plan is illogical and not
11	supportable. Discovery is routinely conducted against nonparties in court actions and the
12	Commission has similar powers to obtain facts and documentary evidence from nonparties. The
13	desire to go on a "fishing expedition" for information from wireless carriers does not justify their
14	joinder in cases such as these.
15	II. <u>The "Adequacy" of RCC's Service Is Not At Issue In This Proceeding In A Way That</u>
16	Requires RCC To Be A Party.
16 17	Requires RCC To Be A Party. Qwest next argues that, "the adequacy or inadequacy of the regulated carrier's
	Requires RCC To Be A Party.
17 18	Requires RCC To Be A Party. Qwest next argues that, "the adequacy or inadequacy of the regulated carrier's
17 18 19	Requires RCC To Be A Party. Qwest next argues that, "the adequacy or inadequacy of the regulated carrier's service is a question which requires that the carrier be a party to the adjudication." Qwest
17 18 19 20	Requires RCC To Be A Party. Qwest next argues that, "the adequacy or inadequacy of the regulated carrier's service is a question which requires that the carrier be a party to the adjudication." Qwest Response Brief at 8. Qwest's use of the term "adequacy" regarding RCC's service is misleading
17 18 19 20 21	Requires RCC To Be A Party. Qwest next argues that, "the adequacy or inadequacy of the regulated carrier's service is a question which requires that the carrier be a party to the adjudication." Qwest Response Brief at 8. Qwest's use of the term "adequacy" regarding RCC's service is misleading and miscomprehends the nature of this proceeding. Qwest appears to be attempting to bootstrap the "adequacy" of RCC's service as an issue in this case under the provision of the line extension
17 18 19 20	Requires RCC To Be A Party. Qwest next argues that, "the adequacy or inadequacy of the regulated carrier's service is a question which requires that the carrier be a party to the adjudication." Qwest Response Brief at 8. Qwest's use of the term "adequacy" regarding RCC's service is misleading and miscomprehends the nature of this proceeding. Qwest appears to be attempting to bootstrap
 17 18 19 20 21 22 	Requires RCC To Be A Party. Qwest next argues that, "the adequacy or inadequacy of the regulated carrier's service is a question which requires that the carrier be a party to the adjudication." Qwest Response Brief at 8. Qwest's use of the term "adequacy" regarding RCC's service is misleading and miscomprehends the nature of this proceeding. Qwest appears to be attempting to bootstrap the "adequacy" of RCC's service as an issue in this case under the provision of the line extension ⁵ Defined as "[E]very corporation owning, operating or managing any facilities used to provided telecommunications to the general public" RCW 80.04.010. "Telecommunications" is the "transmission of information by wire [or] radio" Id.
 17 18 19 20 21 22 23 	Requires RCC To Be A Party.Qwest next argues that, "the adequacy or inadequacy of the regulated carrier'sservice is a question which requires that the carrier be a party to the adjudication." QwestResponse Brief at 8. Qwest's use of the term "adequacy" regarding RCC's service is misleadingand miscomprehends the nature of this proceeding. Qwest appears to be attempting to bootstrapthe "adequacy" of RCC's service as an issue in this case under the provision of the line extension 5 Defined as "[E]very corporation owning, operating or managing any facilities used to providedtelecommunications to the general public" RCW 80.04.010. "Telecommunications" is the "transmission of information by wire [or] radio" Id.

rule that provides that waivers can consider "the comparative price and capabilities of radio
 communication service. . . ." WAC 480-120-081(7)(b)(ii)(C). Thus, this not truly a proceeding
 to determine the "adequacy or inadequacy" of RCC's service. Rather, under the provision of the
 Commission's rule, it is simply a "comparison" between the "capabilities" of various radio
 communication and "other" services that might be available to applicants that are the subject of a
 waiver request.

Qwest clarified its position in this case regarding RCC in its responsive brief.
Qwest stated that it had "not recommended relief against RCC." Qwest response at 10-11. Even
more directly, "Qwest did not ask either in its motion or in testimony for the Commission to
order RCC to build facilities." <u>Id.</u> at 8. Since by Qwest's own admissions, this is <u>not</u> a
proceeding to order RCC to <u>do anything</u>—other than provide information—there is absolutely no
requirement that RCC be made a party.

13 If this were a proceeding to require RCC to extend or improve its service, to 14 revoke or modify its ETC status because of "inadequate" service, or in any way affect RCC's 15 regulatory rights or obligations then certainly RCC would be entitled to be a party to protect its 16 interests. Only Qwest supported the joinder of RCC in this docket and Qwest now unequivocally 17 disavows any relief against RCC. RCC does not need to be a party merely for discovery 18 purposes.

19 III. <u>Qwest's Argument About RCC's Alleged Obligation to Serve All Customers Is</u> 20

First Qwest confused an ETC's obligation to serve an "area" with the obligation to serve a "location." <u>See</u> RCC opening brief. Now Qwest is confusing the obligation to serve an "area" with an obligation to serve "all customers." Qwest response at 10. The supposed import of Qwest's single sentence argument, citing a footnote in a Commission order, is difficult to determine. RCC responds only because Qwest seems to imply that this Commission can

1	impose addition service obligations on RCC that go beyond the obligations defined by the FCC
2	under federal law. For the numerous reasons discussed in RCC's opening brief, that is not true.
3	RCC does not believe that the Commission's footnote, put in the context of the
4	order it which it resides, reflects a statement by the Commission of an intent to modify federal
5	law, as Qwest implies. The footnote Qwest cites simply states:
6	Obviously, there are some differences between wireless companies and wireline
7	companies that make strict application of set standards to all companies difficult. However, the Commission will insist that all companies provide quality service to
8	all customers within the designated service area for that company.
9	In the Matter of Designation of Eligible Telecommunications Carriers, Dockets Nos. UT-
10	970333-54, n. 11 (Dec. 23, 1997). Such an aside would be difficult to construe as
11	binding precedent in this docket in any event. But Qwest's injection of yet another
12	purported ETC obligation to serve "customers" without analysis makes it impossible to
13	draw any meaningful conclusion from the Commission's 1997 order.
14	The Timm and Taylor residents are not currently RCC's "customers."
15	Applicants for service are merely prospective customers. The Timm and Taylor residents
16	are not even applicants for RCC service. Equating applicants in currently unserved areas
17	with "customers" in a Commission footnote to create an obligation to serve completely
18	ignores the provisions of 47 U.S.C. § 214, numerous FCC orders, RCW 80.36.090, and
19	WAC 480-120-071.
20	IV. Cost Recovery Is An Important Factor In Determining the "Reasonableness" of a Request
21	For Service. Qwest's argument on cost recovery completely misses the point. Qwest
22	
23	addressed only one aspect of it various cost recovery mechanisms, raising a technical question
24	about whether its admitted \$23 million in access charge revenues is simply mislabeled as
25	universal service. Qwest response at 9. This argument is merely a diversion from the RCC's
26	points, which are: first, as a monopoly carrier Qwest has extensive indirect cost recovery

1	mechanisms such as access charges, while RCC is limited as a competitive carrier; and second,
2	Qwest has a direct and full cost recovery potential under the Line Extension Rule, while RCC
3	has no such mechanism.

4	Qwest dismisses RCC's cost recovery argument under RCW 80.36.090, arguing
5	that the test is whether a service request is "reasonable." Qwest response at 12. That argument
6	begs the question of what factors go into an evaluation of what is reasonable. It would defy logic
7	to ignore the fact that a carrier cannot recover the costs of providing the requested service in
8	determining whether that request were reasonable.
9	CONCLUSION
10	For the foregoing reasons, and the reasons set forth in RCC's prior briefs, the
11	Commission should dismiss RCC from this proceeding on the grounds that wireless carriers
12	should not be joined in waiver proceedings under WAC 480-120-071 for purposes of discovery
13	or any other reason.
14	Respectfully submitted this 3 rd day of April, 2003.
15	MILLER NASH LLP
16	
17	Brooks E. Harlow
18	WSB No. 11843 David L. Rice
19	WSB No. 29180
20	Attorneys for Intervenor RCC Minnesota, Inc.
21	
22	
23	
24	
25	
26	